



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Economics, Environmental Analysis and Administration

February 12, 2007

Mr. John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, DC 20036

Re: Finance Docket No. 34992, Itasca County Regional Rail Authority - Construction and Operation Exemption – Itasca County, Minnesota; Approval of Third-Party Consultant

Dear Mr. Heffner:

Your request for approval under 49 CFR 1105.10(d) and 40 CFR 1506.5 for retention of Burns & McDonnell (B&M) as an independent third-party consultant for the above referenced project is approved. B&M will prepare the appropriate environmental document on behalf of the Board in connection with a proposed project by Itasca County Regional Rail Authority to construct a rail line of approximately nine miles in length to serve a new mill which Minnesota Steel Industries, LLC, intends to build at Nashwauk, Minnesota. The proposed rail line would handle inbound raw materials and outbound steel products, connecting to an existing rail line at a point near Taconite, Minnesota.

We have attached a disclosure statement that we ask you to forward to B&M to complete. Once the statement is signed by B&M, we request that B&M send it directly to us. As we discussed in our meeting in August 2006, the Board's Section of Environmental Analysis will directly supervise, review, and approve all environmental documents prepared by the independent third-party contractor.

If we can be of further assistance, please do not hesitate to contact me or Kenneth Blodgett of my staff at (202) 565-1554.

Sincerely,

Victoria Rutson
Chief, Section of Environmental Analysis

Enclosure

SURFACE TRANSPORTATION BOARD

DISCLOSURE STATEMENT

I, _____, certify
(name of contractor)
that I have no financial or other interest in the
outcome of the prospective application/petition of the
_____ to construct a rail
(name of applicant/petitioner)
line near _____.
(location)

Signed

Date